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## WEEKLY REPORT



# THE SITUATION IN SOUTH VIETNAM

3 February 1965

INTELLIGENCE AND REPORTING SUBCOMMITTEE OF THE INTERAGENCY VIETNAM COORDINATING COMMITTEE

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#### THE SITUATION IN SOUTH VIETNAM

(28 January-3 February 1965)

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NOTE: This issue of the Weekly Report consists of contributions from the several participating agencies, but circumstances did not permit final coordination.

#### THE WEEK IN PERSPECTIVE

General Khanh has apparently been feeling his way cautiously in setting up a successor to the ousted Huong government, but there are signs that he is running into increasing opposition, particularly from the military itself. There have been allegations by various generals that Khanh is about to make a bid to have himself named as chief of state with concurrent control of the armed forces. These generals have implied that some early move may be afoot to thwart any such ambitions by Khanh.

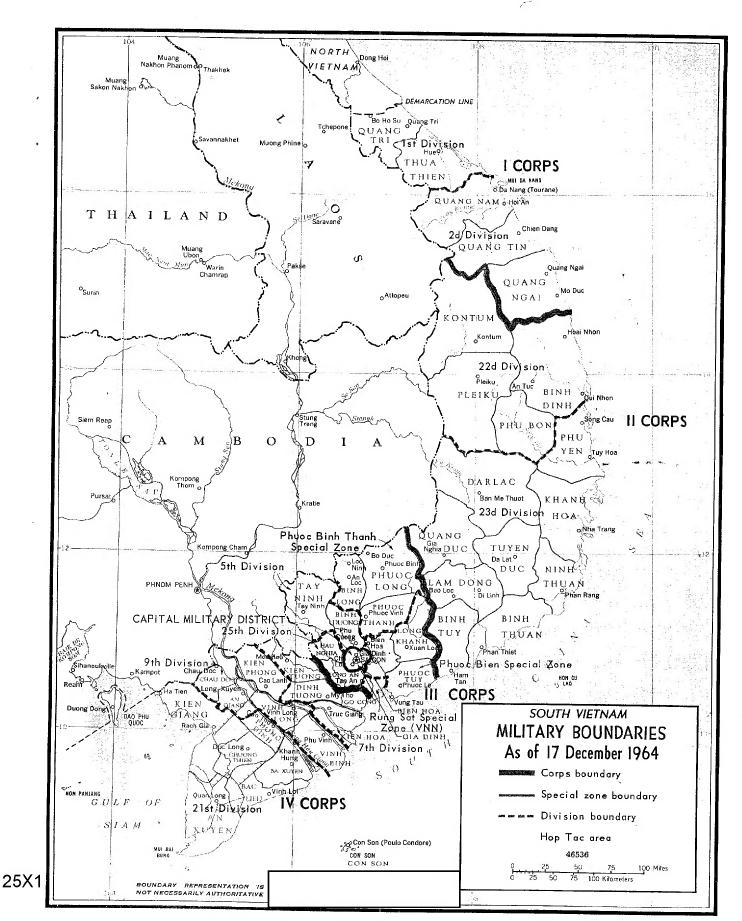
Although Buddhist leaders have been portraying outward moderation since the downfall of Premier Huong, they have disavowed any agreement with Khanh and apparently intend to retain their freedom of action in the political sphere. There are increasing signs that many of the military are themselves fed up with Buddhist tactics, and even suspicious that the Buddhists may try to maneuver the government toward a neutralist solution. Several generals indicate that they are determined to deal forcefully with any future Buddhist obstructionism.

Catholic circles appear increasingly restive over Khanh's return to the scene with Buddhist collusion. They are withholding any active cooperation with Khanh's efforts to set up a military-civilian council, and some of their militants, who claim their distrust of Khanh is shared by the Hoa Hao and Cao Dai sects and even the average Buddhist, are reportedly trying to prod sympathetic military officers into action against Khanh.

The failure of the Viet Cong to launch any spectacular pre-Tet military operations suggests that the enemy has been thwarted, at least for the time being, by recent ARVN spoiling attacks. ARVN's successes in achieving tactical surprise over large concentrations of Viet Cong are encouraging examples of ARVN's good use of intelligence and its willingness to employ quick reaction forces promptly, aggressively, and effectively. It also may be

that Viet Cong intelligence on ARVN intention was inadequate or that the Viet Cong overestimated their ability to deal with a superior armed force in a conventional engagement. A continuation of such costly defeats could cause the Viet Cong to disperse some of their forces.

Despite recent ARVN success, the Viet Cong still retain the capability to initiate multiple large-scale attacks and to hold positions for short periods. It is anticipated that the Viet Cong will intensify their activities after the Tet holidays.



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#### I. SITUATION WITHIN SOUTH VIETNAM

#### A. POLITICAL SITUATION

- 1. General Khanh has been cautiously feeling his way in trying to set up a successor regime to the ousted Huong government, and there are signs that he is now running into serious opposition, particularly from his military colleagues. Khanh's plans have shown considerable fluidity, although he is still moving to set up a 20-man military-civilian council. The council is ostensibly to be charged with replacing or confirming the caretaker Huong cabinet under Chief of State Suu and civilian Acting Premier Nguyen Xuan Oanh.
- Various generals on the Armed Forces Council (AFC), however, state that they are convinced that Khanh intends to have himself named chief of state, with full control over the armed forces. They report that he may try to have this move confirmed by a meeting of the AFC on 5 February, and that he has ordered command changes to neutralize his opponents. Some generals argue further that Khanh is plotting, either through his own contacts or with full Buddhist collusion, to make himself the "Prince Sihanouk" of Vietnam by negotiating a deal with the Viet Cong's National Liberation Front to neutralize South Vietnam. Although there is no firm evidence that Khanh plans such moves, and particularly any gesture toward a negotiated settlement, suspicions over Khanh's intentions are widely shared by key armed forces commanders, including generals who are otherwise suspicious of one another.

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4. Khanh has provided somewhat conflicting versions of his plans for the new government. He has indicated publicly that the Armed Forces Council will retain full authority over the government, with the 20-man council having an advisory role. At the same time, he continues to make plans for the civilian-military council to function as a reconstituted High National Council in setting up a new government. Khanh's problems are compounded by the reluctance of many potential civilian members of the council to associate with another interim government.

Khanh has stated that elections will be held for a national assembly in March, as scheduled. The caretaker government has published the election law drafted and signed by the Huong government, which already gives the armed forces a major voice in picking the assembly—4,000 of the 16,000 electors. However, there are hints from several quarters, including Khanh himself, that the elections may be postponed, or that, in any case, the interim government might remain in place even after the assembly is formed. It is possible that the uncertainty surrounding the legal framework of the new government reflects current military and civilian opposition to Khanh's maneuvering.

Khanh himself may have fluctuated between the idea of retaining a weak Suu-Oanh government which he can dominate and the possibility of some scheme which could give him a public mandate to become chief of state, a goal he has long admitted to.

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5. Buddhist leaders have remained largely quiescent, after some initial moves to pressure the military into releasing all persons arrested in recent demonstrations. They also made efforts to stay the execution of a suspected Viet Cong terrorist among the demonstrators, but eventually acquiesced. Despite Buddhist willingness, however, to use Khanh to obtain Huong's removal, there is no evidence that they intend to give Khanh their loyalty. Two generals report that the Buddhists have now specifically disavowed a pre-coup agreement under which monks would have retired from the political scene.

Tri Quang, in a private meeting with US embassy officers as well as in a press interview, has sought to play down the significance of anti-American overtones in the Buddhist campaign against Huong. He is privately quoted as saying that the Buddhists would cooperate with a new government, if given a chance, and that they would like to control two ministries -justice and information -- and to participate in psychological warfare activities against the Viet Cong. Quang is also reported, however, to have said that the Buddhists would not support General Khanh's personal ambitions and were still dedicated to the concept of civilian rule. Some Buddhist laymen have shown an interest in serving on the 20-man council and even in a new government, but the Buddhists are likely to remain dissatisfied with anything less than a major voice in the government.

Tri Quang and other Buddhists have also recently admitted the possibility of some Communist penetration of their ranks, and even the possibility that extremists issued, under their name, a scurrilous anti-American leaflet, but they have denied any official responsibility for the actions of these elements. Despite Buddhist claims that they will devote themselves, for the present, to reorganization of their hierarchy, leading monks show little intention of

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withdrawing from active politics.  the Buddhists may soon raise demands that ex-Premier Huong be brought to trial. Various generals, including some of the "young Turks" who have in the past curried Buddhist favor, have been warning that any further Buddhist agitation will be dealt with firmly. General Dong, Saigon's tough military commander, says he expects shortly to be "fighting the Buddhists in the streets."	25X1
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6. Catholic circles have made little secret of their pessimism over Khanh's return to the scene and over a possible Khanh-Buddhist alliance. The Arch-bishop of Saigon, Nguyen Van Binh, is refusing any direct cooperation with Khanh in naming Catholic representatives to the military-civilian council,	
although he is reported to have agreed to disband the Catholic chaplain corps as a means of getting the Buddhists to do likewise. Leaders of more militant northern Catholic refugee groups, however, are predicting that Khanh's acts will lead to an early Buddhist takeover and to a neutralist regime which, they say, could provoke a forceful Catholic reaction.	25X1

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#### B. MILITARY SITUATION

1. The number and intensity of Viet Cong-initiated activities rose abruptly in the pre-Tet period. The increase, however, was not as extensive as expected. There were no spectacular large-scale Viet Cong actions, possibly as a result of recent ARVN spoiling attacks. Three attacks were reported which probably involved forces larger than one company. District towns in Quang Nam and Vinh Long were attacked but not overrun, and a large enemy force conducted a damaging attack against a regional bivouac area in An Giang.

There was a significant rise in the number of small-scale attacks, the highest weekly total since early December. Most Communist activity, however, consisted of terrorism and acts of sabotage. For the first time since October, Viet Cong sabotage seriously interrupted traffic on the main roads in III Corps. Although railroad sabotage remained at the same relatively low level of last week, the effects of earlier floods and sabotage are still being felt. Railroad repairs south of Da Nang, in the provinces of Quang Nam, Quang Tin, and Quang Ngai have not been completed.

Communist activities, including armed attacks, were heaviest in IV Corps with military targets the principle Viet Cong objective. Enemy activities elsewhere consisted principally of terrorism although in I Corps, the Viet Cong emphasis appeared to be on military targets.

Viet Cong propaganda teams were reported to be exploiting the seven-day Tet "truce," proclaimed by the Liberation Front, encouraging the people to enter Viet Cong-controlled areas and to visit their families. Since the "ceasefire" period began on 31 January, Viet Cong military activity has dropped off sharply.

2. It seems likely that recent ARVN successes against Viet Cong concentration have had a deterrent effect and disrupted the enemy's timetable for pre-Tet large-scale attacks. The government offensive

noted last week seemed to gain a bit more momentum this week, as overall military activity increased, as did the number of operations engaging enemy forces. This occurred despite intensified politicking by senior officers in Saigon and a High Command directive encouraging pre-Tet leaves. Several government operations this week gained significant victories over the Viet Cong as a result of sound and aggressive application of ARVN's superiority in arms, mobility and air power.

An operation in Dinh Tuong Province, terminated on 27 January and resulted in 152 Viet Cong killed and numerous weapons captured against only minor friendly losses. In Phu Yen Province a search-and-destroy operation was initiated against a 250-man Viet Cong force. With the coast line blocked by the Junk Force and escape routes on land cut off, the Viet Cong, who had holed up in caves, were subjected to a punishing air attack. The operation resulted in 88 of the enemy killed and an estimated 60 others carried away. The continuation of such successful operations is needed in order to reduce significantly Viet Cong military capabilities and wrest the military initiative from the enemy.

3. Casualties and weapon losses reflected the increased level of combat this week. Government personnel casualties increased from 806 (201 KIA) to 849 (225 KIA) this week. Communist casualties climbed to 798 (638 KIA) from 742 (546 KIA) of the previous week. Government losses of weapons rose for the second straight week to 503 from 346. The capture of Viet Cong weapons, however, declined for the second straight week to 175 from 190.

#### C. PACIFICATION

- 1. The pace of pacification activity throughout the nation fell off during the past week and there was little progress to report. Unsettled political conditions in Saigon, the advent of Tet and the shortage of troops in some areas all contributed to the decline in activity.
- 2. Extensive requirements for static defense missions in all five provinces of I Corps have impeded and will probably continue to impede pacification efforts throughout the corps until troop shortages can be alleviated. Forces available for mobile operations and reaction to Viet Cong attacks are limited. The senior American adviser to the ARVN 1st Division has stated that no further pacification progress can be expected in Quang Tri and Thua Thien until more ARVN or paramilitary forces are made available.
- 3. In the II Corps zone, the coming of Tet and civic unrest in some of the zone's major cities diverted attention from pacification efforts. In Binh Dinh Province, reductions in troop strength caused a slow-down in pacification activities. The province chiefs in Tuyen Duc and Khanh Hoa were diverted from pacification duties because of rioting by Buddhists and students in Dalat and Nha Trang.
- 4. In IV Corps, the pacification effort was stagnant except for planning for future operations. Fortyfour of 48 authorized sub-sector teams were operational at the end of the week. United States Special Forces "A" teams in Chau Doc and Kien Tuong provinces were scheduled to assume concurrent missions as sub-sector advisory teams on 1 February. A US Special Forces "A" (12-man) detachment is to be deployed to Phu Quoc Island, Kien Giang Province, to undertake pacification operations.
- 5. In the Hop Tac area, the situation has been generally favorable although there has been a marked increase of Viet Cong activity in some parts of the area under direct III Corps control, especially in Bien Hoa Province. The Capital Military District and Rung Sat Special Zone have been relatively quiet and free of important Viet Cong contact. Five additional

hamlets were completed during the past week, raising to 292 the number reported by US Advisers as meeting the six-point criteria for a completed hamlet. Securing operations are underway in 88 other hamlets.

Twenty-three boats have been assigned to operate checkpoints on important waterways in the Rung Sat Special Zone, Bien Hoa, Gia Dinh and Long An provinces, as part of the resources and population control program. Customs and harbor police have recently recovered large amounts of contraband in the form of antibiotics and medicines. Controls on foreign vessels plying the waters in the area of Vung Tau, Nha Be (10-15 kilometers down the Saigon River from Saigon) and Saigon will be tightened to prevent off-loading of contraband.

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#### II. THIRD COUNTRY DEVELOPMENTS

#### A. CAMBODIA

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1. Recent developments suggest a continued stiffening of the Vietnamese Government's attitude toward Cambodia. The GVN issued a strong declaration on 31 January denouncing Cambodia's plans to hold an "Indochinese Peoples' Conference" and charging collusion between Cambodia, North Vietnam, and the Liberation Front to extend Communist control over South Vietnam. The statement warned Sihanouk that he must bear the consequences for raising tensions in the area resulting from his call for a conference and his recent territorial claims against South Vietnam.

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- 2. This declaration follows by a few days another strong declaration issued on 27 January which denounced the Cambodian Government for having sentenced to death on 26 December a South Vietnamese soldier captured during a May border incident.
- 3. In the meantime, minor border incidents continue along the Cambodian border.

#### B. PHILIPPINES

l. Embassy Manila reported that the current wave of anti-Americanism is complicating the Philippine Government's plan to send troops to South Vietnam. Philippine Secretary of Defense Peralta has recommended that the US initiate a campaign in the Philippines to improve the US image. He suggests an immediate and dramatic increase in US military assistance to the Philippines and a USIS directed program to impress the public with the US need for Philippine aid to South Vietnam.

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#### III. DEVELOPMENTS IN THE BLOC

#### A. MOSCOW-HANOI RELATIONS

1. The new Soviet leadership's increased interest in and support for North Vietnam was underscored by the announcement that Premier Kosygin and a high level Soviet military, economic, and party delegation will leave for Hanoi on 4 February. The visit probably foreshadows an increase in Soviet military assistance to North Vietnam and possibly a new long-range economic aid agreement. A special Soviet economic delegation arrived in Hanoi last week.

It is possible that the Soviets have already delivered some air defense hardware. Recent aerial photography revealed the presence of at least six 37mm. self-propelled antiaircraft guns in the vicinity of Phuc Yen airfield. This is the first identification of this Soviet weapon in either North Vietnam or Communist China, and suggests direct Soviet assistance to North Vietnam. The weapons may have been delivered in late December.

The new Soviet leaders almost certainly hope that an increase in economic and military assistance to North Vietnam will give them a greater voice in the formulation of Communist policy in Indochina. They may also hope that their newly demonstrated interest in the area will serve as a deterrent to possible US extension of the war to North Vietnam. Kosygin and company will probably also press Hanoi to return to its traditional position of neutrality in the Sino-Soviet dispute. Apparently in anticipation of increased Soviet support, Hanoi began, following Premier Pham Van Dong's return from Moscow last November, to damp-down its public criticism of Soviet policy. The theme of "bloc unity" is now once again getting attention in Hanoi propaganda, as the Vietnamese seek, for the present at least, to avoid giving offense to either Moscow or Peiping.

It is unlikely that any increase in the Soviet presence in Hanoi will alter such basic policies as promotion of violent revolution or support of Peiping on issues which harmonize with Hanoi's own state interests.

#### B. DRV INTERNAL

During the past month the DRV has devoted extensive publicity to the capability and readiness of its armed forces to meet any prospective military action directed against the DRV. On 3 February, the DRV announced that a meeting of its highest military policy group--the National Defense Council--had taken place in January to discuss the status of North Vietnamese armed capabilities. announcement implied that Hanoi believes there is a good chance of some direct US military action against the DRV. As a consequence, the National Defense Council called on the people and armed forces of the DRV to "get ready to fight," and urged continued military preparations in such fields as "antiaircraft work," and defense of the "frontier demarcation line." The meeting coincides with other indications that Hanoi is now moving to strengthen its military defenses.

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ANNEX

#### SITUATION IN QUANG NGAI PROVINCE

- 1. The government's position in Quang Ngai Province within the last few months has declined sharply. The Viet Cong have made serious inroads into the vital coastal plain area of this province and now virtually control the southernmost district of Duc Phu. The most recent report of the US Mission Reporting Unit presents a pessimistic picture of the situation in Quang Ngai, and holds out little hope for the GVN to check the Communist effort with the resources that it has in place.
- Quang Ngai has long been a stronghold of the Communist subversive effort in Vietnam. Viet Minh have maintained redoubts there, as do the Viet Cong. The Viet Cong strength is estimated to be about 5,670 in Quang Ngai, an addition of some 400 since the beginning of October. Included in this total are 2,235 main force troops organized into one regional headquarters MR5, one regimental headquarters, three infantry battalions, and one weapons battalion; provincial units are given as two battalions with a combined strength of 1,155; while local forces are estimated to number 2,280. In addition to these units, province officials suspect one or two more battalions are operating in The Viet Cong are estimated to be this province. capable of massing three or four battalions at any point in the province, but have not mounted any large unit operations since September, when the last battalion-strength operation occurred. Viet Cong leadership apparently feels that there is no necessity to operate with massed units since their small-unit operations are working so effectively.
- 3. The regular government units in Quang Ngai are the 51st ARVN Regiment—an independent unit—and two Ranger battalions, with a combined strength of 3,150 men, or some 30 percent below authorized strength. Thus Viet Cong main force and provincial strength is presently slightly greater than that of regular ARVN units, a condition which severely hampers

the ability of the government units to seize and maintain the initiative. There is no government reaction force held in general reserve in the area. The three battalions of the 51st are largely committed to static defense missions, while the Ranger battalions are operating ineffectively in Duc Pho district. The ARVN units have had very little success in their recruiting efforts in Quang Ngai.

- 4. Regional Forces consist of 19 rifle companies and a support company with a present-for-duty strength of 2,430. The Popular Force assigned strength is 10,000, but this force is operating with only 65 to 70 percent of its strength present for duty. Recruitment for the paramilitary forces is good, but the Popular Forces have a morale problem largely created by lack of supplies and equipment.
- The security situation has grown worse in the past several months as the government continues to lose new areas to the Viet Cong. Communist control in the piedmont and mountainous areas is virtually total with the GVN holding only small areas around district capitals in these regions. five percent of the province population of 650,000 is under Viet Cong domination while the GVN exerts strong control over only 17 percent of the population. The remainder of the people are incareas undergoing pacification or "cleared" of Viet Cong. Only the province capital, Quang Ngai, is considered to be truly pacified. Although 113 hamlets containing 165,000 persons were reported in early December to have met the six-point criteria for a completed hamlet, their record of resistance to Viet Cong attacks is poor. The GVN controls, in some measure, 60 percent of the province rice lands, but the Viet Cong are now thought to control enough rice production that, given normal crops, they will have a year's supply of rice on hand.
- 6. Government presence is strongest in Tu Nghia, Nghia Hanh, and Son Tinh districts, in the center of the lowland area, and extends with diminishing strength north to Binh Son district and south through central Mo Duc district to Duc Pho district. The Viet Cong have expanded their control over considerable portions of Duc Pho, Mo Duc, and Son Tinh districts on either side of Route 1. In Duc Pho, everything except the

district capital is in their hands. The Communists are apparently consolidating their holdings in Mo Duc and Duc Pho by digging in and building fortified positions.

- 7. The low level of the pacification effort in Quang Ngai is due mainly to the lack of sufficient government military strength to deal with the Viet Cong. Total government regular and paramilitary forces outnumber the Viet Cong by less than three to one, and cannot field sizable forces to seek out and destroy the Communist forces. Pacification plans for 1965 in the province, which have been partially tied into the I Corps master plan, are quite unrealistic in terms of what the government expects to accomplish within the given time frame with the forces available. Part of the 1965 pacification plan calls for the clearing of Route 1 as well as the completion of 178 hamlets by the end of March 1965.
- 8. Other obstacles in the way of the pacification effort are conflicts between military commanders and civil administrators, lack of financial and material support from central government ministries in Saigon, and the failure of local officials to make timely use of resources available to them.
- 9. Some aspects of the pacification program have shown positive results. There are now fourteen full-strength pacification teams operating with increasing effectiveness. Of special note is the success of five forty-man "special platoons" in accomplishing useful intelligence gathering assignments while pursuing their civil action, psychological warfare, and military duties.
- 10. The people of Quang Ngai Province appear to be growing more weary of war every day. Along with this weariness is a growing apathy and a desire for security, regardless of which side can provide it. The GVN still has a residue of goodwill among the people as evidenced by the information that authorities are able to gather about the Viet Cong, but this cannot last indefinitely. In view of the lack of sufficient GVN forces in the province to cope with the growing strength of the Viet Cong, it is unrealistic to expect that government pacification efforts, even if carried out more effectively in the future, could seriously hurt the Communists.

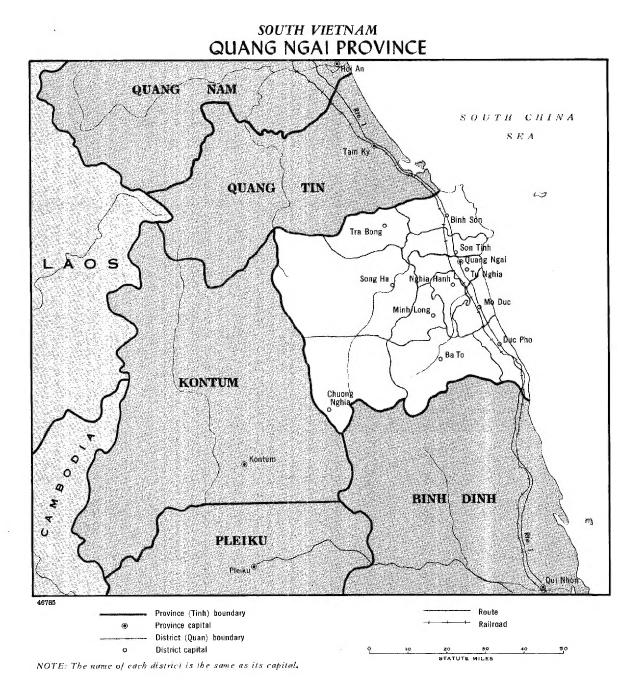
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If the government continues only economy of force activities, it seems clear that it will be only a matter of time before all the rural areas of the province come under the control of the Viet Cong. The initiative in Quang Ngai presently lies with the Viet Cong, and it will be their actions that determine the course of events there.

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